

AVISTA

TAX CHANGE DEFERRAL APPLICATION

ATTACHMENT D

Accounting Entries to Change from Normalization to Flow-through
Tax Rate

21%

	FEDERAL INCOME TAXES 409000	TAXES ACCRUED- FEDERAL 236000	DFIT EXPENSE 410100	ADFIT - Plant 282900	ADFIT - PLANT EXCESS DEFERRED 282920	REG LIAB - PLANT EXCESS DEFERRED 254900	PLANT EXCESS DEFERRED GROSS UP 190920	ADFIT - Plant Flow Through 2829XX	Reg Asset - Plant Flow- Through 1823XX	Plant Flow- Through Gross-Up 283XXX	Deferral on Plant Flow- Through 4073XX	Reg Liab - Deferral on Plant Flow Through 2543XX	ADFIT - Plant Flow Through 190XXX	DFIT EXPENSE 411100
12/31/19 Balances Adjusted for Strategic Review			106,209,323	(106,209,323)	21,541,471	(27,267,685)	5,726,214							
Entry for 2020 tax basis adjustments														
2020 Basis	(15,795,935)	15,795,935	15,795,935	(15,795,935)										
2020 Excess Book Depr. Over Tax Deprec.	13,509,657		(2,837,028)	2,837,028										
12/31/20 Balances			119,168,230	(119,168,230)	21,541,471	(27,267,685)	5,726,214							
Entry to reclassify account balances to flow-through in 2021			(119,168,230)	119,168,230	(21,541,471)	27,267,685	(5,726,214)	(97,626,759)	123,578,176	(25,951,417)	150,845,861	(150,845,861)	31,677,631	(31,677,631)
Entry for 2021 tax basis adjustments														
2021 Basis	(15,795,935)	15,795,935						(15,795,935)	19,994,854	(4,198,919)	19,994,854	(19,994,854)	4,198,919	(4,198,919)
2021 Excess Book Depr. Over Tax Deprec.	13,509,657							2,837,028	(3,591,175)	754,147	(3,591,175)	3,591,175	(754,147)	754,147
12/31/21 Balances			-	-	-	-	-	(110,585,666)	139,981,856	(29,396,190)	167,249,541	(167,249,541)	35,122,404	(35,122,404)

Note: This amounts used for this exhibit are for illustrative purposes, since actual amounts will change based on timing of approval by all three states.

FERC Acct. No	FERC Acct. Description	DR	CR
409000	FEDERAL INCOME TAXES		15,795,935
236000	TAXES ACCRUED-FEDERAL	15,795,935	
410100	DFIT EXPENSE DR	15,795,935	
282900	ADFIT		15,795,935
	<i>Entry #1: To record 2020 IDD #5 and meters</i>		
410100	DFIT EXPENSE DR		2,837,028
282900	ADFIT	2,837,028	
	<i>Entry #2: To record 2020 tax benefit (due to recording book depreciation on basis-adjustments)</i>		
410100	DFIT EXPENSE DR		119,168,230
282900	ADFIT	119,168,230	
282920	ADFIT - PLANT EXCESS DEFERRED		21,541,471
254900	REG LIAB - PLANT EXCESS DEFERRED	27,267,685	
190920	PLANT EXCESS DEFERRED GROSS UP		5,726,214
2829XX	ADFIT - Plant Flow Through		97,626,759
1823XX	Reg Asset - Plant Flow Through	123,578,176	
283XXX	Plant Flow Through Gross Up		25,951,417
4073XX	Deferral on Plant Flow Through	150,845,861	
2543XX	Reg Liab - Deferral on Plant Flow Through		150,845,861
190XXX	DFIT - Plant Flow Through Deferral	31,677,631	
411100	DFIT EXPENSE CR		31,677,631
	<i>Entry #3: To record initial transfer of deferred tax balances to flow-through method</i>		
409000	FEDERAL INCOME TAXES		15,795,935
236000	TAXES ACCRUED-FEDERAL	15,795,935	
2829XX	ADFIT - Plant Flow Through		15,795,935
1823XX	Reg Asset - Plant Flow Through	19,994,854	
283XXX	Plant Flow Through Gross Up		4,198,919
4073XX	Deferral on Plant Flow Through	19,994,854	
2543XX	Reg Liab - Deferral on Plant Flow Through		19,994,854
190XXX	DFIT - Plant Flow Through Deferral	4,198,919	
411100	DFIT EXPENSE CR		4,198,919
	<i>Entry #4: To record 2021 IDD #5 and meters using flow-through and deferral</i>		

FERC Acct. No	FERC Acct. Description	DR	CR
2829XX	ADFIT - Plant Flow Through	2,837,028	
1823XX	Reg Asset - Plant Flow Through		3,591,175
283XXX	Plant Flow Through Gross Up	754,147	-
4073XX	Deferral on Plant Flow Through		3,591,175
2543XX	Reg Liab - Deferral on Plant Flow Through	3,591,175	
190XXX	DFIT - Plant Flow Through Deferral		754,147
411100	DFIT EXPENSE CR <i>Entry #5: To record 2021 tax benefit (due to recording book depreciation on basis-adjustments) using flow-through and deferral</i>	754,147	
4073XX	Deferral on Plant Flow Through		167,249,541
2543XX	Reg Liab - Deferral on Plant Flow Through	167,249,541	
190XXX	DFIT - Plant Flow Through Deferral		35,122,404
411100	DFIT EXPENSE <i>Entry #6: To record rate-year amortization of deferred tax credits. This entry shows the amortization of the entire balance at December 31, 2021 for illustrative purposes.</i>	35,122,404	

Note: This amounts used for this exhibit are for illustrative purposes, since actual amounts will change based on timing of approval by all three states.